

# EXHIBIT 3

**MOR Notes**

1. \$106 million in real estate asset was reported in the schedules by the Debtor and is subject to investigation by the Independent Manager. The value of the property is now conjectural based on what can be permitted and built.
2. Prepetition secured debt of \$70,281,663 is asserted by the secured creditor and is disputed by the Debtor.
3. The Debtor does not have any employees, so it does not have any workers compensation and payroll taxes payments.
4. On Part 7 (a) the debtor has paid the past due property tax amount for APN 4352001051, 4352001044, 4352001047, 4387025001, 4387026012, 4387022021 totaling \$388,026.52. The property tax amount was listed and approved in the original budget for this case.